

Attachment B
Exhibit 1
Part 1

**Alternate Fiber Providers & Lit-Buildings
Wire Center Chicago, Franklin-CHCGILFR**

SBC Illinois Ex. 2.0 (Smith Direct-Loops)
Docket No. 03-0596
Attachment JCS-15
Page 1 of 2

CHICAGO DEARBORN







CHICAGO CANAL

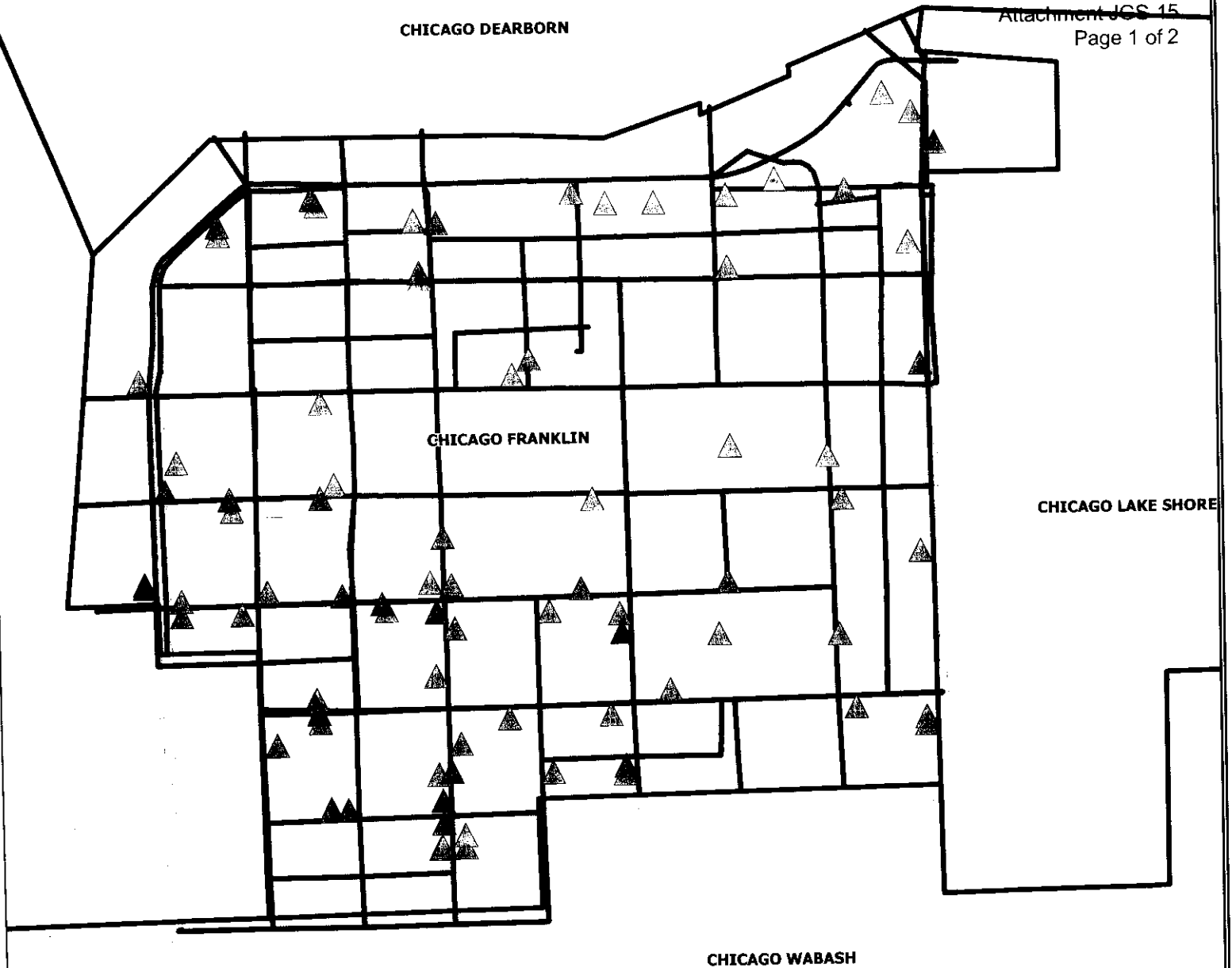
CHICAGO FRANKLIN

CHICAGO LAKE SHORE

CHICAGO WABASH

**Chicago Franklin
Data Sets**

- Fiber Lit Buildings
1 Fiber Provider 
- Fiber Lit Buildings
2 or More
Fiber Providers 
- All Alternate Provider
Fiber Routes 
- SBC Central Offices 
- SBC Wire Centers 
- Streets & Highways 



**300ft Corridor Build with Enterprise Data
Wire Center Chicago, Franklin-CHCGILFR**

SBC Illinois EX-2.0 (Smith Direct-Loops)
Docket No. 03-0596
Attachment JCS-15
Page 2 of 2

CHICAGO DEARBORN



CHICAGO CANAL

CHICAGO FRANKLIN







CHICAGO LAKE SHORE

CHICAGO WABASH

SBC

-  Fiber Lit Buildings
1 Fiber Provider
-  Fiber Lit Buildings
2 or More
Fiber Providers

**Chicago Franklin
Data Sets**

-  Building Locations with
\$50k+ Spending
In 300ft Corridor Build
-  Alternate Provider
Fiber Routes
-  300ft Corridor Build
Fiber Route Streets
With 2 or More Providers
-  SBC Central Offices
-  SBC Wire Centers
-  Streets & Highways

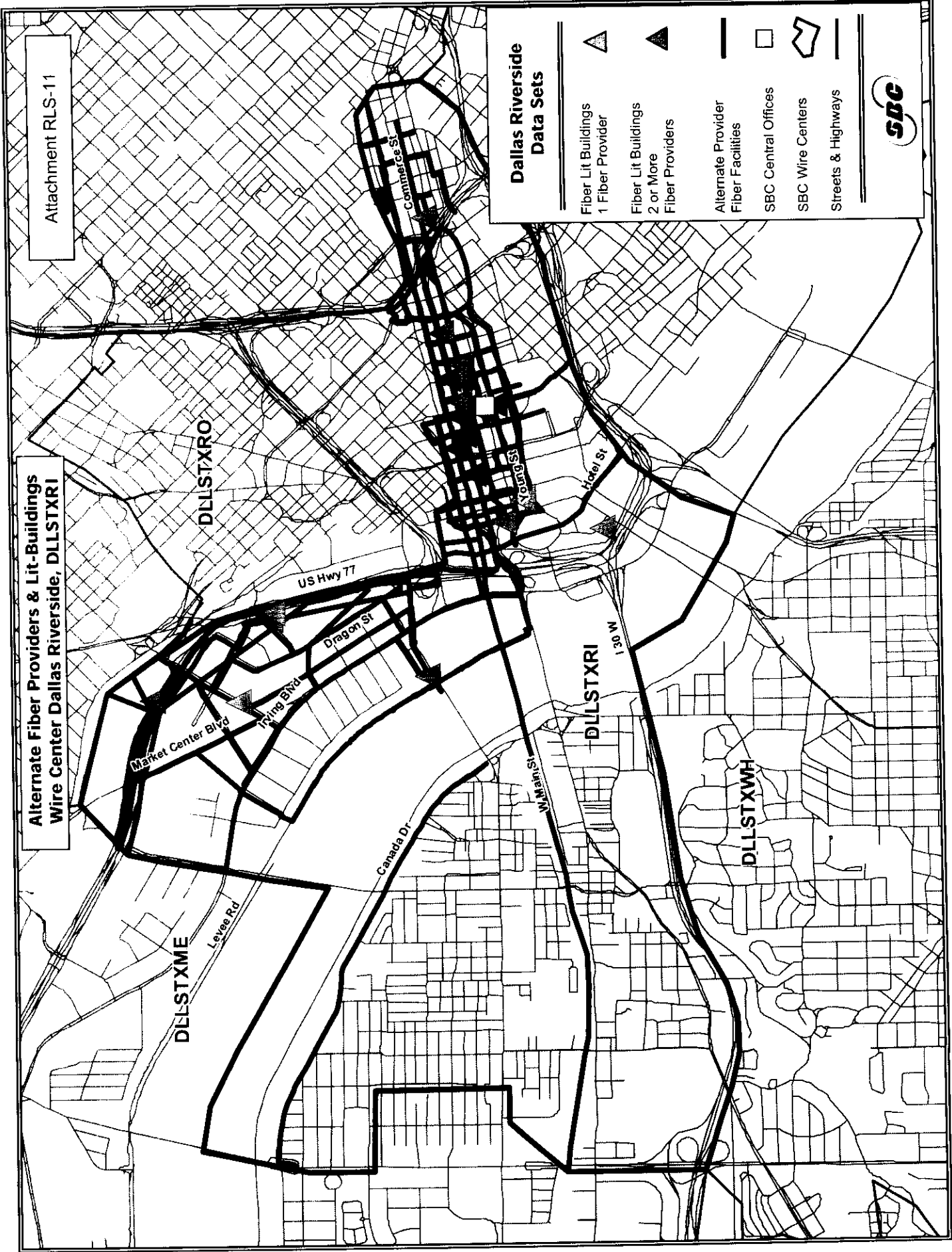
- Data Counts
- 1) 120 Fiber Lit Buildings in Buffer
 - 2) 83 Fiber Lit Buildings in Wire Center
 - 3) 249 Building Locations in Buffer
 - 4) 193 Building Locations in Wire Center

Attachment B
Exhibit 1
Part 2

Alternate Fiber Providers & Lit-Buildings
Wire Center Dallas Riverside, DLLSTXRI

Dallas Riverside
Data Sets

- Fiber Lit Buildings
1 Fiber Provider
- Fiber Lit Buildings
2 or More
Fiber Providers
- Alternate Provider
Fiber Facilities
- SBC Central Offices
- SBC Wire Centers
- Streets & Highways



300ft Corridor Build with Enterprise Data
Wire Center Dallas Riverside, DLLSTXRI

Dallas Riverside
Data Sets

Building Locations with
\$50k+ Spending
In 300ft Corridor Build

Alternate Provider
Fiber Facilities

300ft Corridor Build
Fiber Facility Streets

SBC Central Offices

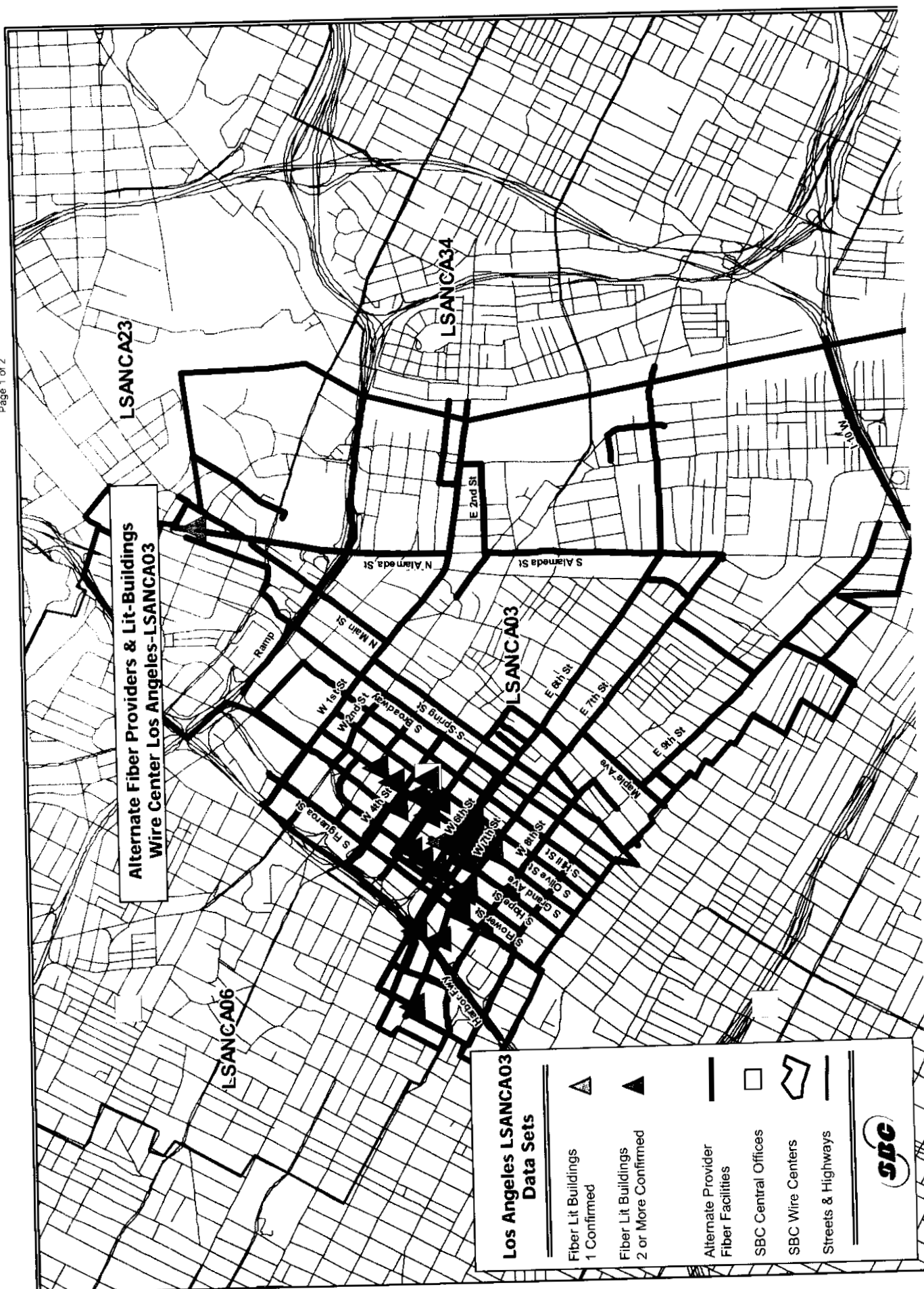
SBC Wire Centers

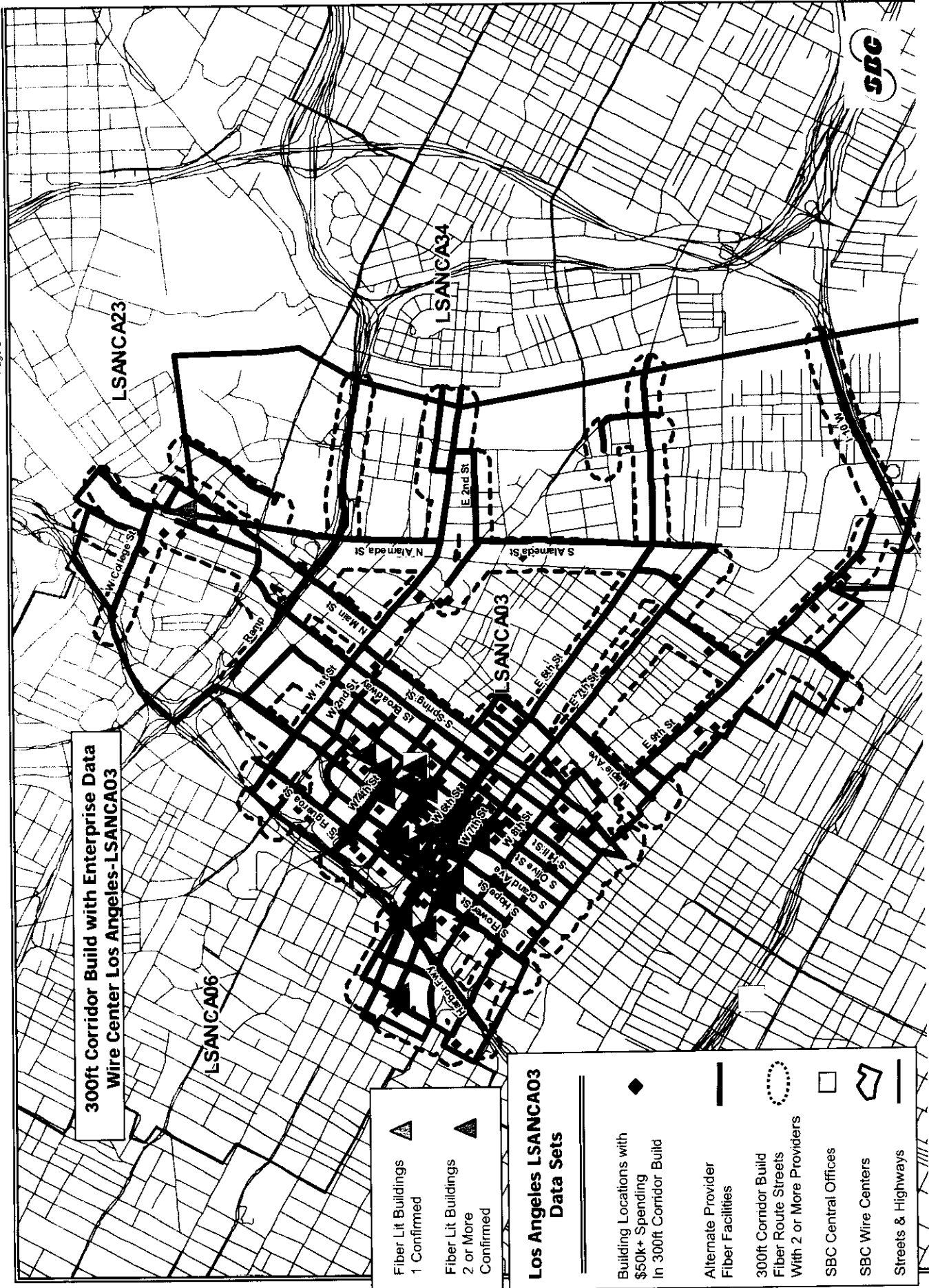
Streets & Highways

Fiber Lit Buildings
1 Fiber Provider

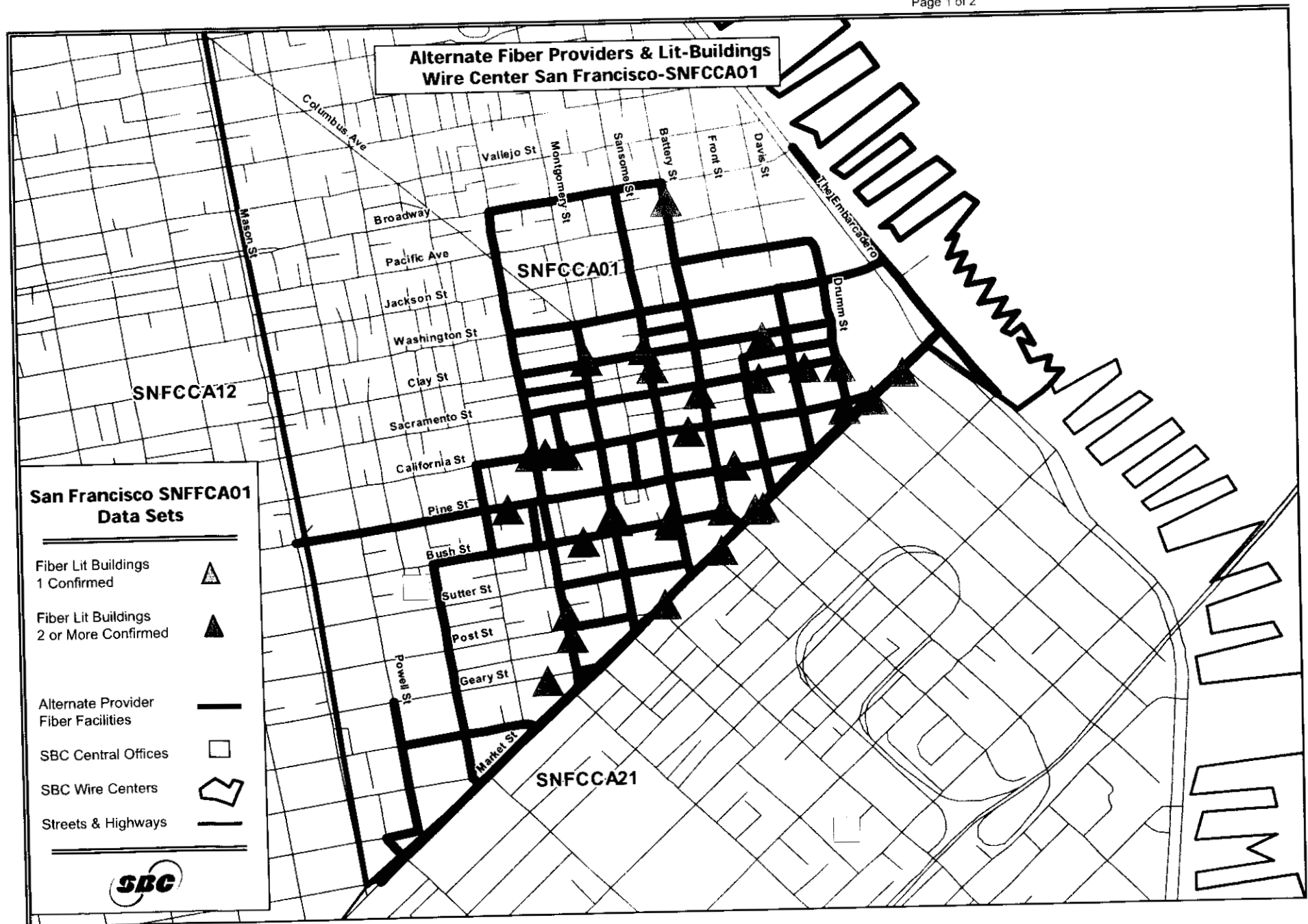
Fiber Lit Buildings
2 or More
Fiber Providers

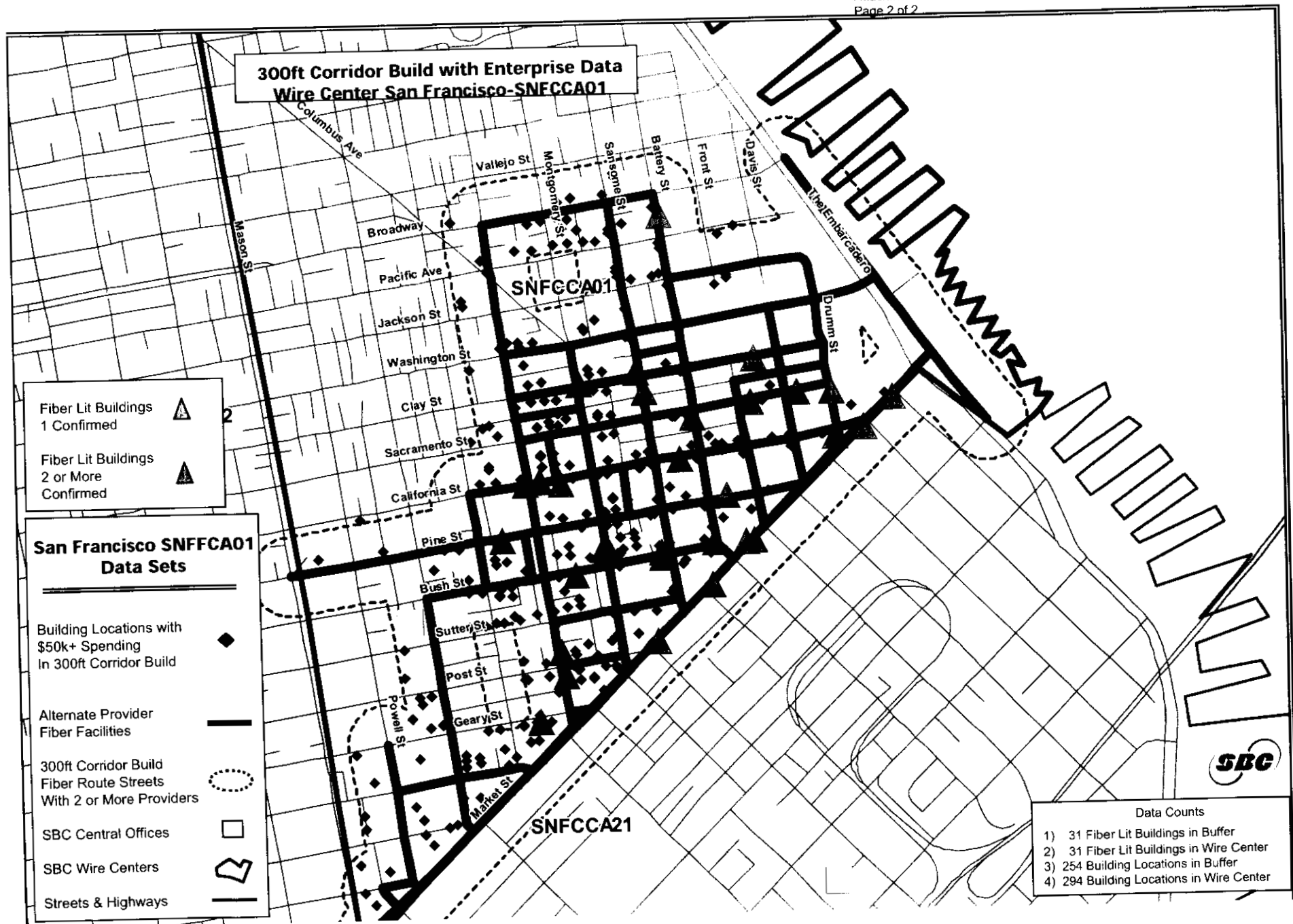
Attachment B
Exhibit 1
Part 3





Attachment B
Exhibit 1
Part 4

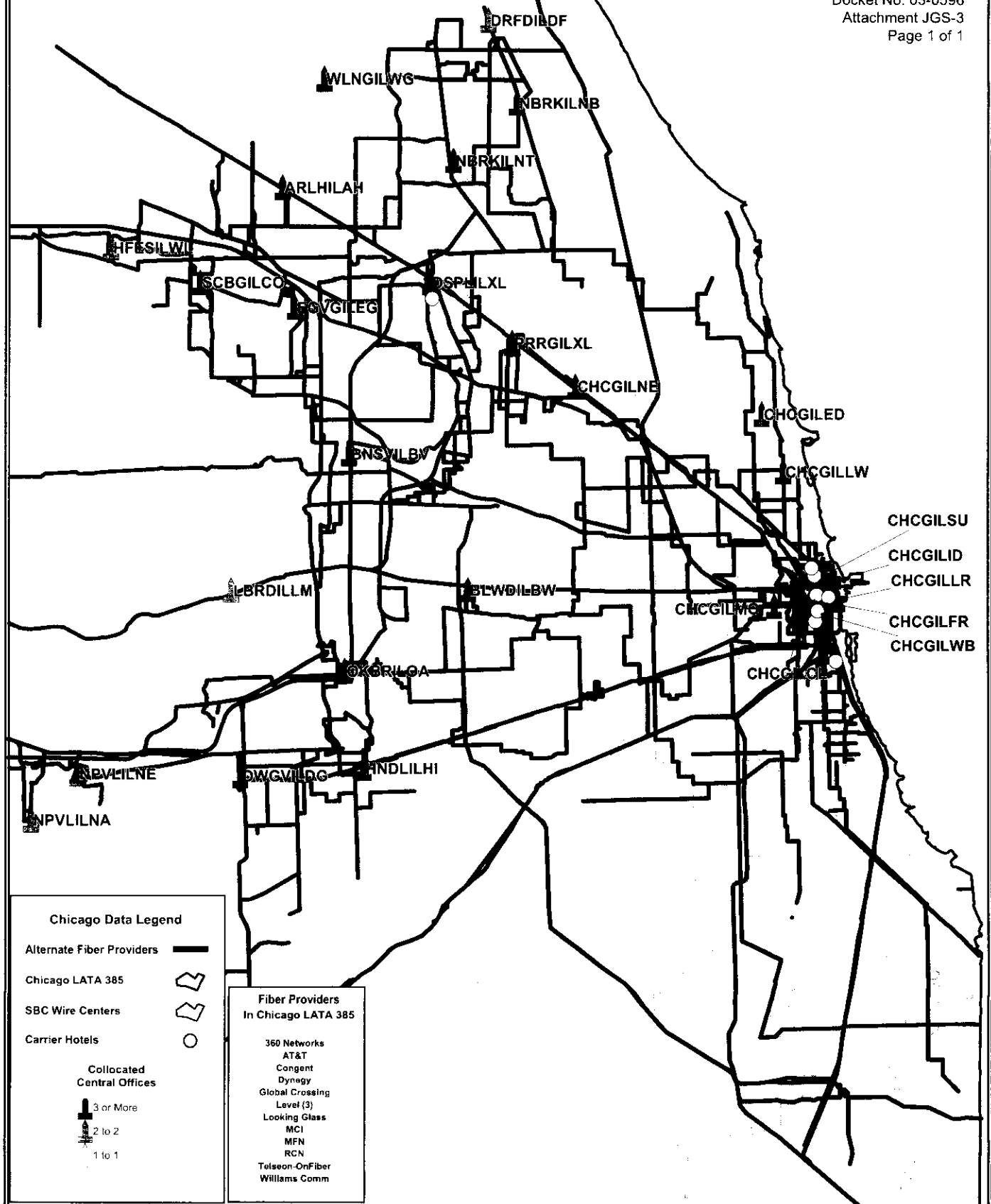




Attachment B
Exhibit 2
Part 1

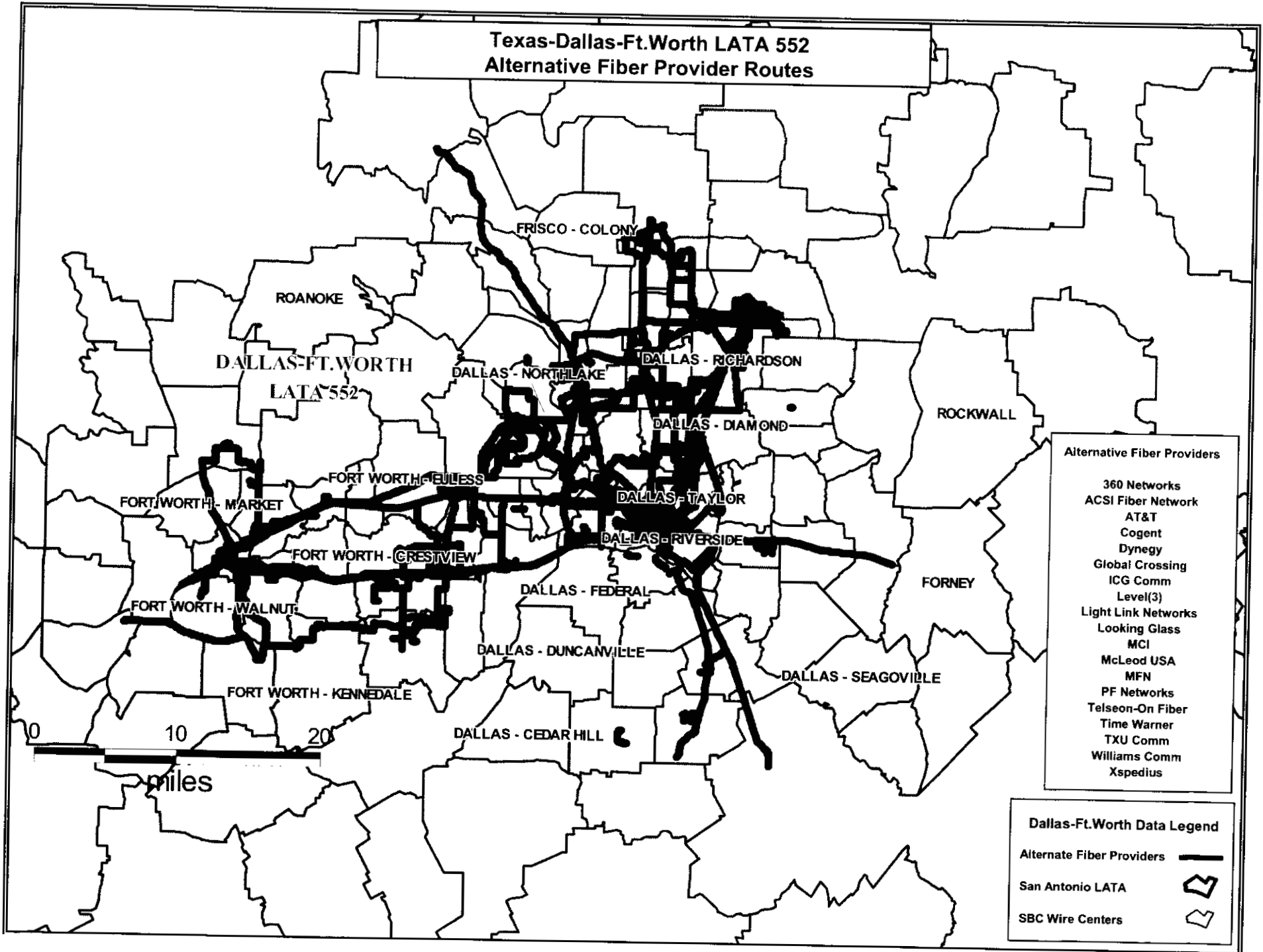
Chicago LATA 385 Competitive Fiber Routes With Fiber-Based Collocators

SBC Illinois (Smith Direct-Transport)
Docket No. 03-0596
Attachment JGS-3
Page 1 of 1



Attachment B
Exhibit 2
Part 2




Texas-Dallas-Ft.Worth LATA 552 Alternative Fiber Provider Routes



Alternative Fiber Providers

360 Networks
ACSI Fiber Network
AT&T
Cogent
Dynegy
Global Crossing
ICG Comm
Level(3)
Light Link Networks
Looking Glass
MCI
McLeod USA
MFN
PF Networks
Telseon-On Fiber
Time Warner
TXU Comm
Williams Comm
Xspedius

Dallas-Ft.Worth Data Legend

Alternate Fiber Providers 
San Antonio LATA 
SBC Wire Centers 

Texas-Houston LATA 560
Alternative Fiber Provider Routes

Alternative Fiber Providers

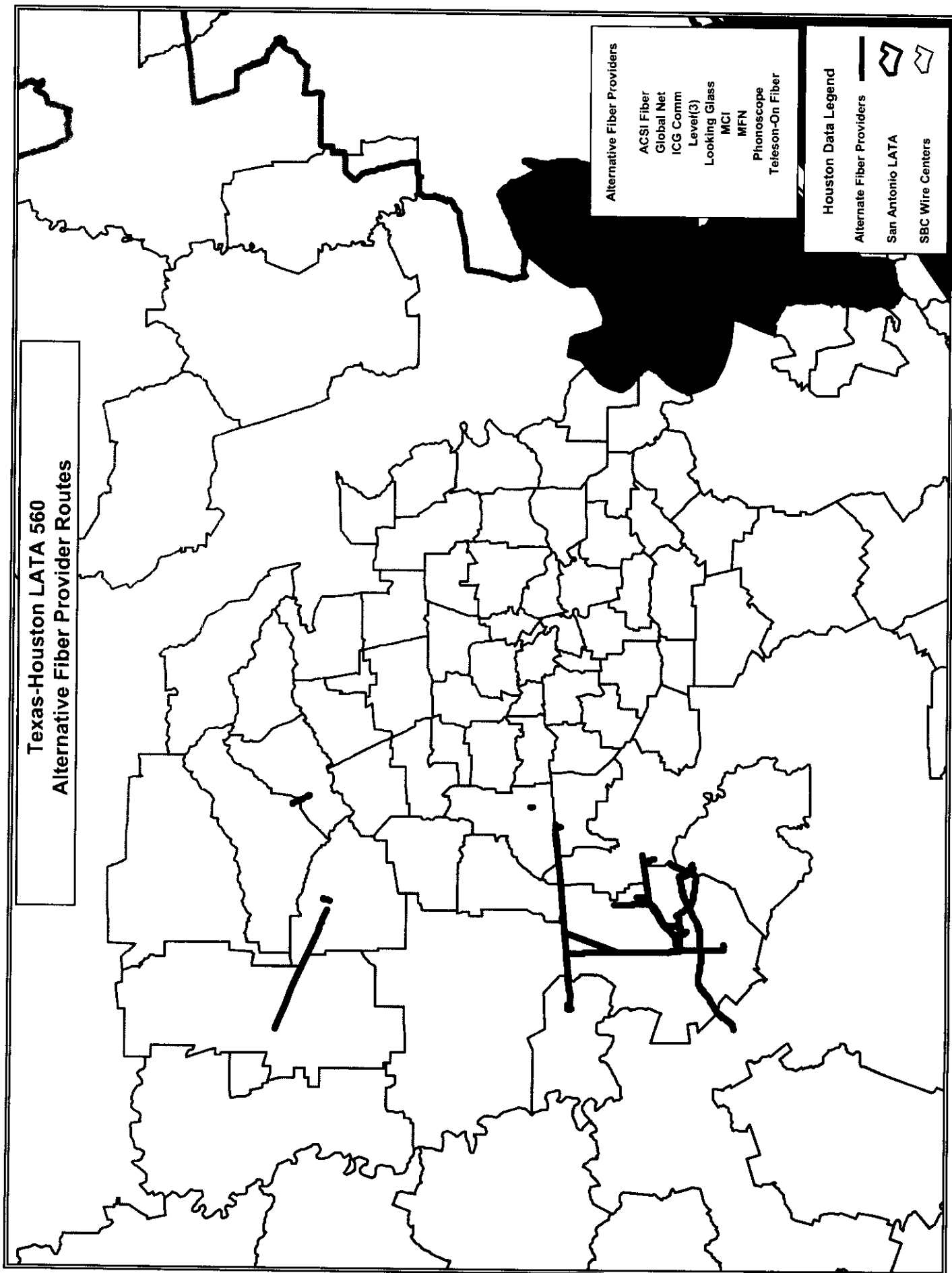
ACSI Fiber
Global Net
ICG Comm
Level(3)
Looking Glass
MCI
MFN
Phonoscope
Teleson-On Fiber

Houston Data Legend

Alternate Fiber Providers

San Antonio LATA

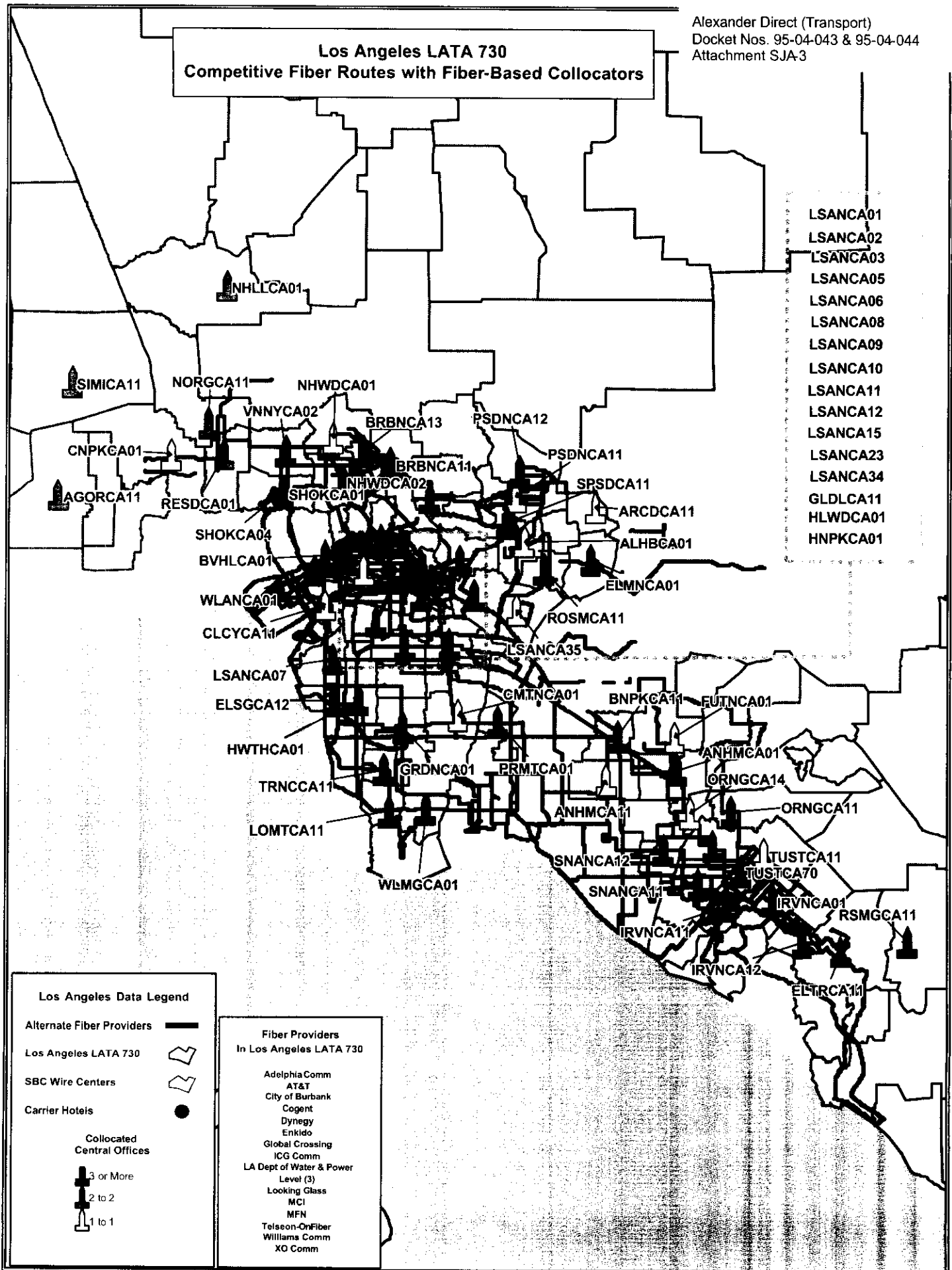
SBC Wire Centers



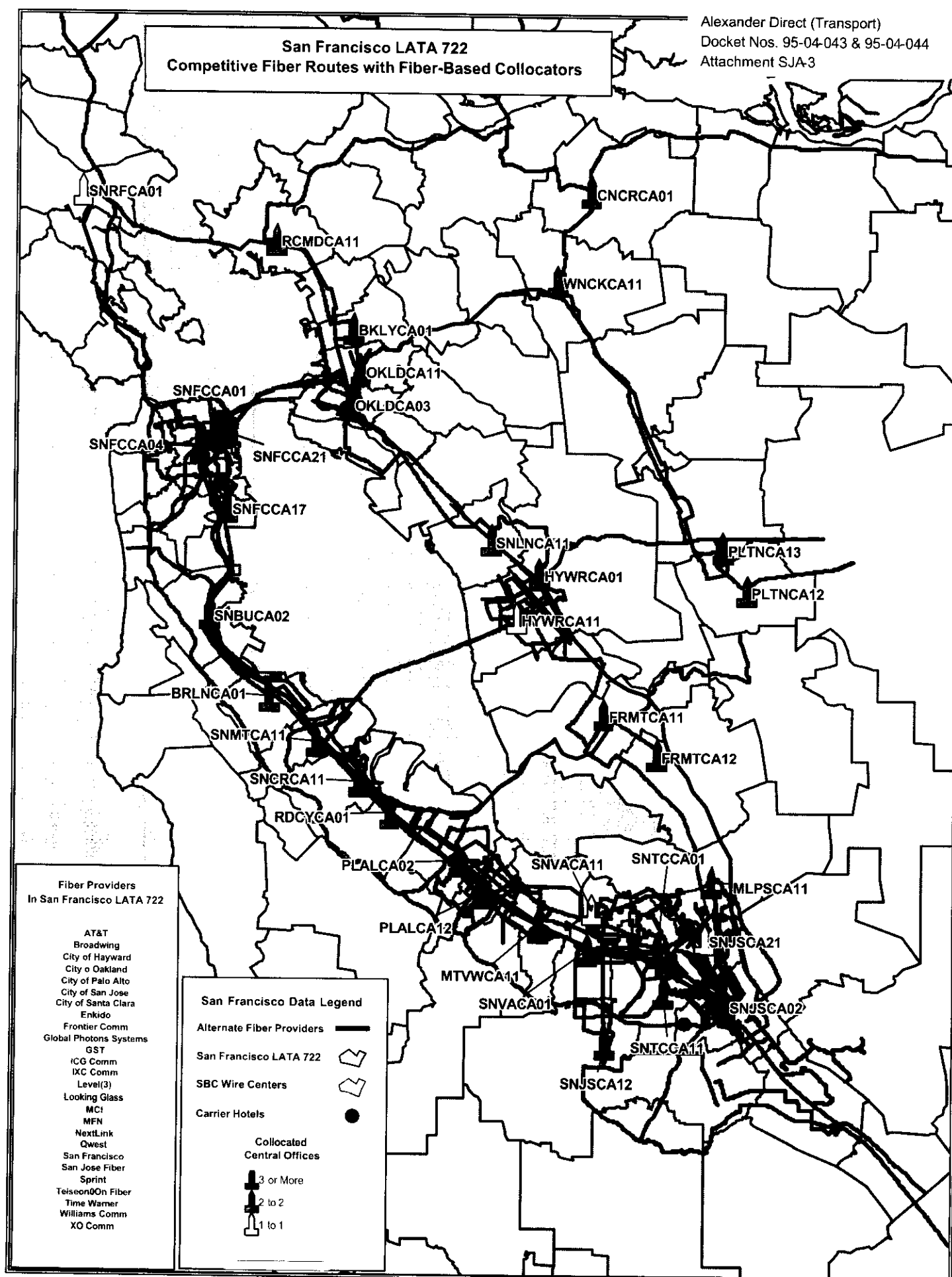
Attachment B
Exhibit 2
Part 3

Los Angeles LATA 730 Competitive Fiber Routes with Fiber-Based Collocators

Alexander Direct (Transport)
Docket Nos. 95-04-043 & 95-04-044
Attachment SJA-3



Alexander Direct (Transport)
Docket Nos. 95-04-043 & 95-04-044
Attachment SJA-3



fiber. It compiles data from Telcordia, an industry leader with which carriers register Common Language Location Identifier codes showing the location of switching and terminating equipment. QSI nonetheless alleges that GeoResults' database "proved to be highly inaccurate based upon the sworn information provided by the CLECs themselves."⁸⁷ QSI is again mischaracterizing the evidence. In many cases, GeoResults data were corroborated by competing providers – and in fact, discovery showed that GeoResults *understated* the extent of deployment.

64. In Illinois, for example, SBC's trigger analysis showed 50 locations that, according to GeoResults' records, were served by two competing providers.⁸⁸ Discovery confirmed that there were at least two competing providers at approximately 75 percent of these locations, and that there was at least one competing provider at four other locations.⁸⁹ Further, discovery revealed over 70 *additional* locations with two competing providers, over and above those identified by GeoResults.⁹⁰ Similarly, discovery in California revealed approximately 130 additional locations served by two competing providers, beyond those identified by GeoResults.⁹¹
65. Accordingly, where a CLEC did not provide a discovery response or address a particular location, it was reasonable for SBC to rely instead on GeoResults' data. The Staff of the Illinois Commerce Commission agreed.⁹² And the Administrative Law Judge in Illinois denied a CLEC motion to strike such data as "unreliable." As the ALJ stated, the

⁸⁷ QSI study at 9.

⁸⁸ Exhibit 10 hereto.

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ SBC Comments Attach. A-CA Ex. 6 Part 18.

⁹² SBC Comments Attach. A-IL Ex. 6 Part 29 (Liu Rebuttal (Loops)) at 3-4.

GeoResults data is “of a type commonly relied on by reasonably prudent persons in the conduct of their affairs.”⁹³

66. QSI contends that SBC “eliminated” some locations identified by GeoResults from its trigger analysis in Michigan. There were some locations where a CLEC presented evidence that it did not have facilities at a location identified by GeoResults. Due to the shortened time frame of the state proceedings and the small number of locations in question, SBC withdrew its claim of non-impairment rather than investigating the CLECs’ contentions. Contrary to QSI’s assertion, however, discovery in Michigan did not show GeoResults’ data to be unreliable. In fact, two carriers checked GeoResults’ findings, and discovered that GeoResults correctly identified their loops at several locations where their own records (incorrectly) had not. As a result, they corrected their initial discovery responses to confirm the GeoResults data.⁹⁴

Potential Deployment

67. Finally, the evidence in the state proceedings refuted the CLECs’ theory that carriers cannot economically deploy loops below the level of three DS3s. The CLECs’ view is that the revenue from one or two DS3s is insufficient to cover the cost of deployment.

The evidence showed that the CLECs’ analysis is wrong on both cost and revenue.

68. As to the cost of deployment, carriers do not build facilities from scratch to serve a single customer. Rather, a typical carrier’s first step in deploying fiber loops in an urban area is to lay a “backbone” down the main streets; from there, the CLEC can extend a short

⁹³ Ex. 9 hereto (ALJ ruling) at 4.

⁹⁴ Michigan PSC Comments, Record Submission for Case No. U-13796, Exs. A-88 & A-92.

lateral into any nearby building at a relatively low cost.⁹⁵ The CLEC can then channelize the fiber facility into DS1 or DS3 loops to serve a customer (or several customers) within the building. AT&T's response to an SBC Texas discovery request states that ***

BEGIN CONFIDENTIAL

END CONFIDENTIAL ***.⁹⁶

Similarly, an MCI internal document showed that its own approved loop projects are normally within ***BEGIN CONFIDENTIAL

END CONFIDENTIAL ***.⁹⁷ More generally, competing providers disclosed that they have deployed many of their fiber loops at neighboring or adjacent locations on key commercial streets. With this deployment strategy, MCI stated that approximately *** percent of its building deployments are for one or two DS3s.⁹⁸ And as noted above, discovery showed that several carriers, including AT&T, have deployed loops at the one or two DS3 level – and that some carriers have even deployed fiber at the DS1 level.

69. Further reducing the cost of deployment, a witness for Sprint testified that transmission equipment is now available at a very low price (\$1,000) that allows a carrier to provide DS3 service directly, without having to deploy optronics at the larger "Optical Carrier" level and then channelize the OCn facility into a smaller DS1 unit.⁹⁹

70. As to revenue, carriers do not decide whether to deploy fiber by mechanically computing the revenue from serving a single prospective customer. Instead, carriers also consider

⁹⁵ Texas PUC Comments, Record Submission for Docket No. 28745, SBC Ex. 17 (Nutt Direct) at 9-10.

⁹⁶ Texas PUC Comments, Record Submission for Docket No. 28745, SBC Ex. 25 Attach. B, at 2; *see also* SBC Comments Attach. A-IL Ex. 7 Part 2 at 28.

⁹⁷ Texas PUC Comments, Record Submission for Docket No. 28745, SBC Ex. 16A (Sparks Rebuttal) Attachment RLS-6 at 10-11.

⁹⁸ SBC Comments Attachment A-WI Ex. 7 Part 13 at 11.

⁹⁹ Texas PUC Comments, Record Submission for Docket No. 28745, Tr. 483 (Dunbar), Tr. 524 (Sparks).

the potential to save money on access charges (which leading carriers specifically identified as a significant factor), additional customer services that can be provided, the strategic value of placing a customer “on-net”, and network growth and expansion plans and opportunities.¹⁰⁰ In addition, a strand of fiber optic cable has virtually unlimited capacity; thus, once a carrier has deployed fiber to serve one customer at a location, it can “channelize” that fiber into additional circuits to serve other customers (and garner additional revenue) at the location.

71. In short, carriers do not evaluate the total cost or revenue of deployment exclusively on a customer-by-customer or location-by-location basis. They deploy fiber in dense wire centers so that they can serve many customers. Many such fiber backbones are already in place, and the incremental cost of serving additional customers in these areas is thus much lower than the “green field” cost assumed by the CLECs here. The state proceedings also provided a real-world confirmation of these principles, and a concrete rebuttal to the CLECs’ theory that carriers cannot economically deploy loops below the level of three DS3s. As we described above, carriers have already deployed *many* loops below the three-DS3 level – and even at the DS1 level.

Conclusion

72. In summary, the evidence assembled in the state *TRO* proceedings confirms SBC’s conclusion here, that CLECs are not impaired without unbundled access to dedicated transport and high-capacity loops in high-density markets, even though the vacated rules

¹⁰⁰ Texas PUC Comments, Record Submission for Docket No. 28745, SBC Ex. 16A (Sparks Rebuttal Testimony) at 26-27 and Attachment RLS-5 at 4, SBC Ex. 25, Attachment B at 8.

and accelerated schedules under which the state proceedings were conducted resulted in them *understating* the extent of competitive deployment. QSI and the CLECs advocate a contrary position by ignoring or mischaracterizing the evidence. The evidence from the states (even though it is limited due to the rules and time frames that governed the state proceedings) demonstrates that CLECs have deployed facilities to serve customers (both on a retail and wholesale basis) at levels lower than they are advocating in this proceeding. The facts are the CLECs have deployed multiple, extensive fiber networks, and have lit thousands of buildings to serve customers. The Commission should reject their faulty analysis and focus on the hard evidence demonstrating non-impairment.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on October 19, 2004.

A handwritten signature in black ink, appearing to read "Scott J. Alexander", with a long horizontal flourish extending to the right.

Scott J. Alexander
Director- Regulatory Policy and Planning

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on October 18, 2004.


Rebecca L. Sparks